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ECONOMIC AND TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES

Report by the Director-General

Summary

Reports on the implementation of Board decision IDB.11/Dec.16 and General Conference resolution GC.5/Res.10.

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Introduction

1. In a world characterized by dwindling resources on the one hand and mounting aspirations of self-reliance on the other, the importance of economic and technical cooperation among developing countries (ECDC/TCDC) as a development tool is becoming evident. The recent proposals of the Director-General to reorder the priorities of UNIDO fully recognize this importance and attempt to strengthen further the impact of ECDC/TCDC on the industrial advancement of developing countries. In this context, the proposals put forward by the Director-General in document GC.5/23 on the future policy framework of UNIDO and approved at the fifth session of the General Conference in its resolution GC.5/Res.18, fully recognize the specific role that ECDC/TCDC mechanisms will play in the furtherance of international cooperation in industrial investment and technology, two areas which, in turn, are related to "the central coordinating role that UNIDO plays in the common system in the field of industrial development" (GC.5/23, para. 22). The organizational restructuring that followed the Yaoundé conference has clearly lent substance to that recognition by integrating ECDC/TCDC into the Industrial Cooperation and Consultation Service (ICC), all being part of the Investment and Technology Promotion Division (ITPD).

2. These two parallel actions ensure that not only the function of economic cooperation among developing countries will serve the larger developmental objectives of UNIDO Member States but that it will do so as an integral part of the overall effort of UNIDO. The placement of the ECDC/TCDC function within the Investment and Technology Promotion Division in general and its linkage with the International Cooperation and Consultations Service (ICC) in particular stresses its promotional role and its mission to seek viable opportunities for effective and meaningful industrial cooperation among the Member States of UNIDO and especially the developing countries.

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3. To that end, the ECDC/TCDC function relates in several ways to the other developmental mechanisms of UNIDO. This relationship is described below. In doing so, the present report not only responds to the specific information requested by the Industrial Development Board in its decision IDB.11/Dec.16 and by the General Conference in its resolution GC.5/Res.10 but also provides an indication of the areas where future ECDC/TCDC activities will be further strengthened.

I. INVESTMENT PROMOTION AND TECHNOLOGY TRANSFER (IDB.11/Dec.16, para. (a); GC.5/Res.10, para. (e))

4. Programmes relating to investment promotion and technology transfer lend themselves most readily to ECDC/TCDC. The reasons are twofold: (a) in those programmes UNIDO has not only an established infrastructure, staff and expertise but also a world-wide network of established contacts through which ECDC/TCDC activities can be readily promoted; and (b) the need for self-reliance and self-help among the developing countries is most manifest in the areas of technology transfer and investment promotion.

5. Thus, ECDC/TCDC activities received much stimulus during 1993 from several UNIDO programmes. For example, the integrated investment promotion programme for the Preferential Trade Area of Eastern and Southern African States (PTA) included the identification, formulation, screening and promotion of investment projects, with the aim of enhancing industrial cooperation within the subregion and with potential foreign partners from industrial and other developing countries.

6. Similarly, ECDC/TCDC was also a significant component of the investment promotion forums held in the Asia, Africa and Latin America and the Caribbean regions. Moreover, two workshops were organized to prepare for investment forums to be held in 1994 for the Arab countries as well as for the Black Sea countries. Investment promotion is an area of future growth for UNIDO as it capitalizes on the increasing trend of investments between the developing countries, particularly in the south-east Asian region.

7. An Investors' Forum for Central Africa was held at Yaoundé in November 1993 together with the European Union and the Centre for the Development of Industry. Potential investors from the member countries of the Economic Community of Central African States (ECCAS) participated in the forum, giving it a very distinct ECDC/TCDC flavour. Bilateral discussions resulted in the conclusion of three preliminary agreements and 22 letters of intent, including cooperation agreements among developing countries.

8. The Investment Promotion Services Office at Seoul, Republic of Korea, and the UNIDO Centre for International Industrial Cooperation at Beijing, China, are both engaged in inward and outward investment promotion activities. The Seoul Office has been successful in mobilizing funds for investment in other developing countries, notably in South-East Asia, while the Beijing Centre has a greater emphasis in inward investment, attracting resources from, in certain cases, developing countries, again mainly from the south-east Asian region.

9. Through the Technological Information Exchange System (TIES) network, UNIDO continued to promote cooperation among research and development institutions as regards technology transfer, adaptation, development and use. Specific activities worthy of note in 1993 consisted of: engaging experts from developing countries, e.g., Argentina, Egypt, Hungary, India, Nigeria, Pakistan, Philippines and Senegal to assist in the UNIDO capacity-building programme as lecturers, resource persons or training experts; training in India of selected Nigerian officers in the adaptation of technology profiles for prevailing local conditions; arranging a study visit by high-level officials from the United Republic of Tanzania to technology transfer institutions in Brazil, Egypt, India, Nigeria and Philippines; convening of an experts meeting on technology transfer trends to review the current world-wide scenario on technology transfer at the national and international levels.

II. ECDC INFORMATION SYSTEM (IDB.11/Dec.16, para. (c); GC.5/Res.10, para. (a))

10. One of the main comparative strengths of UNIDO is its wealth of information sources, networks and statistical databanks on all aspects of industrial development. Admittedly, unless updated and reviewed, information loses its value and effectiveness. There is thus the necessity, as recognized by General Conference resolution GC.5/Res.10, paragraph (a) "To seek information from developing countries regarding their needs and capabilities in the field of industrial development with a view to identifying more fully the potential for and promoting specific economic and technical cooperation among developing countries". Funds permitting, it is the intention of the Director-General to seek this information in a comprehensive manner and he would also be counting on the help of the developing countries in this regard.

11. In the meantime, mention can be made of a number of recent and ongoing activities aimed at strengthening ECDC/TCDC-related aspects of information sources, including the assignment of the TCDC-INRES (Information Referral System) database to the Industrial Information Section as a logical extension of its information work in support of South-South cooperation (IDB.12/2, chap. III, para. 19). In order to enhance the information flow within, to and from the African countries, including possibilities for the establishment of national and subregional INTIB (Industrial and Technological Information Bank) networks with linkages to international information systems, a project is being implemented for the development of an INTIB industrial and technological information network for Africa. The project includes the preparation of an assessment report covering 10 African countries (Cameroon, Egypt, Ghana, Kenya, Nigeria, Senegal, Sudan, United Republic of Tanzania, Zambia and Zimbabwe). Through its cooperation with the Solidarity and Assistance Fund for the Development of the West African Economic Community

(FOSIDEC), UNIDO is also helping to establish an INTIB subregional focal point to serve the seven member States of FOSIDEC (ibid., chap. IV, para. 43).

12. The analytical studies undertaken for the Consultations organized by the Secretariat as well as industrial investment promotion activities also serve as effective, up-to-date information sources for UNIDO regarding the needs and capabilities of developing countries in the field of industrial development.

III. COOPERATION WITH REGIONAL ORGANIZATIONS (GC.5/Res.10, para. (b))

13. The UNIDO ECDC/TCDC programme gave special attention to the development of interregional, regional and subregional programmes. Efforts to increase support for ECDC/TCDC continue to include the collaboration of regional intergovernmental organizations, as well as the regional commissions. For example, a regional project was formulated for the promotion and development of agro-related metalworking industries in selected least developed countries (LDCs) in Asia and the Pacific. The objective of the project is to assist the LDCs in that region in terms of technical support to agro-related metal working industries through accelerated utilization of existing networks, technology exchange and promotion of ECDC/TCDC.

14. Cooperation continued with the Economic and Social Commission for Asia and the Pacific under the Regional Network for Pesticides for Asia and the Pacific (RENPAP). In 1993 several regional training programmes were implemented, including those provided by India to other Asian countries on environment-friendly pesticides and by the Philippines and the Republic of Korea on quality control in pesticides. Other recent examples of ECDC/TCDC activities under RENPAP include workshops in Malaysia on pesticide application technology and in the Republic of Korea on impurities in technical grade pesticide materials.

IV. MOBILIZATION OF FUNDS (GC.5/Res.10, para. (c))

15. Resource mobilization efforts in support of ECDC/TCDC activities focus on a variety of sources. Two significant projects under multi-donor IDF (Industrial Development Fund) funding were recently approved for the regional Africa leather and footwear industry scheme (ibid., chap. V, para. 25) and for assistance in pollution control and treatment of tannery wastes in eight countries of South-East Asia. While most ECDC/TCDC activities are financed from IDF and other voluntary contributions, there is a trend towards increased financing from the Regular Programme of Technical Cooperation, including the technical cooperation component for the Industrial Development Decade for Africa, in a complementary manner with special-purpose and general-purpose contributions to IDF and as seed money to generate further financial resources. Information on recent self-financed trust fund projects involving ECDC/TCDC is provided in the Annual Report, 1993 (ibid., chap. III, para. 18).

16. However, it should be pointed out that one of the major obstacles in the expansion of ECDC/TCDC continues to be insufficient financial resources. As a specialized agency, UNIDO would like to see an increase in the use of indicative planning figure (IPF) resources for ECDC/TCDC activities to promote industrial development.

V. EXPERTS, EQUIPMENT AND SERVICES FROM DEVELOPING COUNTRIES (GC.5/Res.10, para. (d))

17. Renewed efforts were made to increase the utilization of experts, services and equipment from developing countries in UNIDO technical cooperation projects. Information on 1993 appointments of experts from developing countries is contained in the Annual Report of UNIDO for that year (ibid., chap. V, para. 93), and a list indicating the nationality of experts appointed is provided in appendix D to the same document. Information on the share of developing countries in the provision of equipment and services is also contained in the Annual Report, 1993 (ibid., chap. VII, table 7).

VI. UTILIZATION OF OTHER ACTIVITIES (GC.5/Res.10, para. (e))

18. The concern of Member States for the utilization of other relevant activities of UNIDO for promoting ECDC/TCDC was addressed in document GC.5/10-IDB.11/11, paragraph 75, which described the integration of ECDC/TCDC in the activities of three UNIDO Divisions. In the new policy framework of UNIDO, as described in document GC.5/23-IDB.11/31, paragraph 76, the Consultations organized by the Secretariat will be reoriented towards promoting and supporting international industrial cooperation, with particular emphasis to be placed on enhancing ECDC/TCDC mechanisms.

VII. ACTION REQUIRED OF THE BOARD

19. The Board may wish to take note of the information contained in the present report.

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UNIDO'S CONTRIBUTION TO THE SYSTEM-WIDE ACTION PLAN ON DRUG ABUSE CONTROL

Report by the Secretariat

Summary

In response to Industrial Development Board decision IDB.11/Dec.7, reports on UNIDO activities relating to the System-Wide Action Plan on Drug Abuse Control.

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Introduction

1. In its decision IDB.11/Dec.7 the Industrial Development Board recalled the relevant provisions of the United Nations General Assembly resolutions 44/141, 45/179 and 47/100 concerning the System-Wide Action Plan on Drug Abuse Control and, in conformity with resolution 47/100, requested the Director-General to designate an agenda item for the Board to consider UNIDO's contribution to the System-Wide Action Plan and to ensure that activities relating to drug abuse control be reflected in the relevant programmes. The present document reports on UNIDO's contribution to the System-Wide Action Plan and other aspects of Board decision IDB.11/Dec.7.

I. THE SCOPE OF THE UNIDO CONTRIBUTION

2. UNIDO participation in the system-wide effort to reduce drug abuse and illicit trafficking preceded the adoption of the Global Programme of Action by the General Assembly at its seventeenth special session, primarily in the form of projects aimed at utilizing narcotic plants in the pharmaceutical and fine chemical industries, such as the conversion of opium alkaloids into recognized pharmaceutical products. In the wake of stepped-up international efforts, including the establishment and updating of the System-Wide Action Plan on Drug Abuse Control, the UNIDO contribution broadened to cover other areas, including crop substitution.

3. The limits with respect to crop substitution to reduce or eliminate illicit drug cultivation have become clear in recent years owing to the lack of incentive offered by low incomes associated with many alternative crops. The concept, therefore, has been widened to include investment in infrastructure and in the development of high value added, processed agro-industrial products that could possibly generate higher and regular income. The UNIDO approach therefore focuses its activities on an integrated agro-industrial development approach that implies a full vertical integration of farmers, processors and local and international markets. In fact, priority has been given to the identification of market opportunities that could be exploited through the creation of competitive agro-industrial complexes.

4. In its decision IDB.11/Dec.7 the Board also urged the Director-General to seek access to additional voluntary funding, including resources from the United Nations International Drug Control Programme (UNDCP), for the implementation of the

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System-Wide Action Plan activities of UNIDO. As can be seen in chapter II of the present report, financing has stemmed from a variety of sources, although a trend may develop towards more project financing from UNDCP. In view of the importance attached to international efforts to curb drug abuse, interested Member States are urged to consider the provision of voluntary contributions to strengthen the capacity of the Organization to support those efforts.

5. Close collaboration with UNDCP is maintained throughout project development, implementation and follow-up, as well as in discussions aimed at identifying ways in which UNIDO might assist in translating relevant objectives of the Global Programme of Action into practical action. The latter is exemplified by the active involvement of UNIDO in all meetings of the Sub-Committee on Coordination of International Drug Abuse Control of the Administrative Committee on Coordination/Consultative Committee for Programme and Operational Questions. In line with General Assembly resolution 47/100, paragraph 2, the proposed agency-specific implementation plan for UNIDO was submitted to UNDCP in 1993 and is attached as an annex to the present document.

II. CURRENT OPERATIONAL ACTIVITIES

6. Agro-industrial development of alternative products is the subject of an important ongoing UNIDO project in cooperation with UNDCP. Launched in mid-1993 in the Chapare area of Bolivia, the project is conducting a diagnostic survey to identify and transfer small-scale inefficient factories for tea, essential oils, animal feed, glucose and vinegar into a competitive and integrated agro-industrial complex through the following activities:

(a) Market assessment and improvement of marketing techniques;

(b) Techno-economic assistance, including restructuring and rehabilitation plans;

(c) On-the-job managerial technical assistance and training;

(d) Improvement of agricultural productivity by introducing sound agricultural techniques and providing incentives to boost productivity and to expand cultivated areas as required.

Scheduled for completion in 1994, the project is expected to be followed up with smaller projects for the individual activity groups.

7. In the same region, a recently approved project to rehabilitate an existing dairy will result in upgrading the quality and increasing the quantity of cheese production. Major considerations in project design were clean technologies, waste management, environment conservation and involvement of women. Support is also provided by UNIDO to projects implemented by other executing agencies, as in the fielding of an agro-industrial expert to a UNDCP project in Bolivia, also in the Chapare region, for the commercialization of agro-industrial products. The introduction of high-value, low-volume products through these projects will encourage local farmers to cultivate substitute crops.

8. A number of projects with different objectives may also offer potential benefits for drug control. A project financed from the United Nations Development Programme indicative planning figure for Thailand that focuses on quality aspects in the pharmaceutical industry may have potential for supporting drug control efforts. UNIDO expertise provided under the project to the Pharmaceutical Technology Service Centre in Bangkok may strengthen the capability of its staff to control the content and quality of pharmaceuticals containing psychotropic substances. 1/ In the United Republic of Tanzania, the UNIDO project to enhance the technological capabilities of the Pemba distillery for essential oils by organic farming methods is aimed at the development of high-value crops. Such crops could represent alternatives to growers of narcotic plants.

9. Under a special-purpose contribution to the Industrial Development Fund (IDF) combined with funds from the Regular Programme of Technical Cooperation, a three-week training programme on the small-scale industrial utilization of medicinal and aromatic plants was conducted at the Medicinal Plants Research Centre in Turkey for participants from 12 developing countries, in September 1993. The course covered agro-industrial aspects from cultivation and processing of medicinal and aromatic plants to the finished products so as to enable participants to initiate alternative development activities. Participants were also trained in detection and estimation of narcotics and psychotropic substances, thus enhancing their ability to assist law enforcement bodies in drug detection and estimation. Another training project, designed to benefit women in the United Republic of Tanzania, is financed by a special-purpose contribution to IDF from Austria. To be conducted in illicit crop growing areas, the course aims at motivating women to undertake alternative crops for conversion to value added products on the basis of training in food processing and entrepreneurship.

III. ACTION REQUIRED OF THE BOARD

10. The Board may wish to take note of the information contained in the present report.

1/ IDB.11/10, chap. V, para. 43.

Annex

SYSTEM-WIDE ACTION PLAN ON DRUG ABUSE CONTROL:
AGENCY-SPECIFIC IMPLEMENTATION PLAN FOR 1994

Agency: United Nations Industrial Development Organization

A. TREATMENT, REHABILITATION AND SOCIAL REINTEGRATION

Policy/strategy

The United Nations Industrial Development Organization (UNIDO) aims to reduce the spread of HIV/AIDS among addicts through production of disposable syringes and other medical supplies in developing countries.

Action planned

Technical cooperation projects will be developed to establish or increase production of disposable syringes and relevant medical supplies.

B. SUPPLY REDUCTION

Policy/strategy

Within the mandate of UNIDO, assistance will be extended to States in the promotion and implementation of the relevant sectors of the Global Programme of Action. This will involve programmes aimed at supply reduction by alternative development through crop substitution projects resulting in effective agro-based industries and value added products.

Action planned

(i) Research

Cost-benefit studies on the industrial use of crops that could be used as substitutes will be carried out on experimental plots in India and the United Republic of Tanzania.

(ii) Training

Seminars and training programmes will be conducted in illicit growing areas to motivate women on entrepreneurship and the possibilities of small-scale processing of food, spices, and aromatic and medicinal plants.

(iii) Institution building and strengthening

Support will be given to an alternative development programme in Bolivia through industrial utilization of food, and medicinal and aromatic plants. The activities of the UNDCP-funded project on agro-industrial development in the Chapare region will be continued.

Technology transfer or improvement to convert excess stocks of opium in India into licit drugs (such as codeine or ethylmorphine) will be initiated in collaboration with UNDCP.

A project proposal will be presented to the Government of Pakistan aimed at involving local and foreign investors who have access to markets of high value added agro-industrial products so that crops involving labour-intensive cultivation could be introduced to developing countries to substitute for illicit crops. This concept will enable producers to have a ready access to markets guaranteed by the investors.

Projects will be developed on industrial utilization of medicinal and aromatic plants in areas that are in close proximity to illicit crop growing areas to diminish the spread of illicit cultiviation and halt the migration of people to illicit crop growing areas.

C. MULTISECTORAL ACTIVITIES

Policy/strategy

In order to support national laboratories responsible for analysis of both licit and illicit drugs, there is a need to train technical personnel in detecting the presence and identifying the degree of purity of narcotic drugs and psychotropic substances.

Action planned

(i) Training

A group training course for participants from developing countries will be organized to impart the analysis capability required to assist national regulatory bodies in identifying the degree of purity of both licit and illicit drugs.

(ii) Institution building and strengthening

The analytical facilities of national control laboratories will be enhanced to permit the detection of illicit imitation products containing narcotic drugs and psychotropic substances. In that connection, local production of chemical reagents needed for such analysis will be encouraged in developing countries.

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FUTURE POLICY FRAMEWORK OF UNIDO - ORGANIZATIONAL AND STAFF STRUCTURE

Policy framework of UNIDO - organizational and staff structure

Progress report by the Director-General

Summary

The paper presents to the Board a summary of the action taken subsequent to the fifth regular session of the General Conference to implement General Conference resolution GC.5/Res.18 on the future policy framework of UNIDO.

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Introduction

1. The present document is submitted to the Board in accordance with resolution GC.5/Res.18 adopted by the General Conference at its fifth regular session and, specifically, paragraph 5 in which the Director-General was requested to submit a progress report to the Board at its twelfth session on the implementation of that resolution. Updated information on the subject will be provided to the Board immediately before or during the twelfth session.

I. ACTION TAKEN AFTER THE FIFTH SESSION OF THE GENERAL CONFERENCE

2. As indicated in the proposals presented by the Director-General to the General Conference (document GC.5/23), the restructuring of UNIDO entailed three primary tasks: (a) a reassessment and redefinition of the key functions needed for a sharper focus of the Organization's services and substantive capabilities; (b) the build-up of an organizational structure reflecting both the substantive focus and the need for a lean, less hierarchical organization; and (c) an effective, quality-determined delivery of services in response to identified demand. Restructuring UNIDO to meet projected demand in an effective and efficient manner would thus not only include changes in the organizational structure, but would also entail the reform of administrative and management procedures. The present progress report addresses those two aspects of the restructuring of UNIDO.

A. Structural changes

3. In the two weeks immediately following the General Conference, the first changes in the organizational structure were announced by means

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of Director-General's Bulletins UNIDO/DG/B.171 and UNIDO/DG/B/172 and Add.1). The first (UNIDO/DG/B.171) provided the overall organizational configuration based on the structure described in document GC.5/23 and announced the assignment of senior management and supervisory staff to those units. The bulletin also provided an organizational chart and a list of official designations of all units.

4. The second bulletin (UNIDO/DG/B.172 and Add.1) provided information on the staffing of the newly established units or those that had undergone extensive changes following the dissolution or merger of units established under the previous structure.

5. The new organizational and staff structure entered into effect on 1 January 1994. As stated in the bulletins, every attempt was made to take due account of the background, qualifications and aspirations of the staff members being redeployed. Furthermore, reassignments would be subject to review during the first half of 1994, thus providing for possible adjustments at a later juncture.

6. This fine-tuning process proved necessary almost immediately as the need for certain changes based on logistical and other requirements became apparent. Furthermore, a slight reconfiguration was also needed to provide critical mass in certain areas and ensure synergy by strengthening certain groupings that would otherwise be hampered by the need to maintain a high vacancy factor. These lacunae were corrected in a series of minor changes in early February and will continue to be the focus of attention over the months to come.

7. Whereas redeployment will be the primary instrument, it is patently obvious that a highly limited, selective recruitment process will have to be initiated in certain crucially important areas - thus heightening the Organization's expertise and assuring it of an inflow of innovative technological know-how. Steps were taken to initiate this process on a limited scale and in respect of key positions in late January 1994. A similar requirement also obtained with respect to field staff. Given the paucity of extrabudgetary funding for outposted staff, steps were taken to seek candidates from within the Organization who were both qualified and willing to assume field duties. The extent of both exercises can be judged from the vacancy announcements issued in the month of January.*

Administrative and management procedures

8. Staff is the main resource in any restructuring process. Furthermore, their redeployment and reassignment have to be supported by a series of cohesive administrative and managerial measures.

9. First and foremost among these administrative support measures was the preparation of the terms of reference for each organizational unit.** In drawing up those terms of reference, the units had to indicate not only their responsibilities and functions, but also their specific links with other units, thus identifying the channels of communication and the effective means of coordination. This latter aspect is of vital importance to reducing duplication and ensuring a smooth flow of work.

10. At the same time, units were also asked to prepare a programme of work for the current biennium on the basis of the resources allocated in the programme and budgets adopted at the fifth session of the General Conference (GC.5/14/Rev.1). In the course of preparing their programmes of work, units are required to indicate specific outputs that will be used as yardsticks against which to measure performance.

11. Closely associated with the definition of tasks and the determination of output is the elaboration of a process for the design and delivery of UNIDO services. At the outset of the year, work started on the development of such a process that would endeavour to eschew the shortcomings of the past and create a framework for a rational and efficient approach to the management of services. The principles to be adopted in this new service management process are those spelt out in the proposals presented to the fifth session of the General Conference (GC.5/23) where reference is made to the application of sound management procedures and operational systems.

12. Consequently, the new process will be viewed above all in the context of ensuring quality management, rationalizing and decentralizing decision-making, and improving coordination and teamwork. The new service management process addresses three basic issues: the need to respond to assessed demand with services that fully meet the established quality criteria; the need to couch the regular budget-funded and the operational activities of the Organization within a coherent framework - the UNIDO country support strategies; and the need to screen proposals and design, approve, deliver and evaluate the UNIDO services within that framework. In this context, it will also be required to reassess the authority, functions and procedures of the Programme and Project Review Committee, the terms of reference of which are in the process of being revised.

13. The new demands devolving upon the Organization require staff skills and competence that differ from those displayed by staff at present. Although, as already indicated in paragraph 7 above, selective recruitment might well be needed to maintain the level of technical expertise commensurate with a specialized agency, much can be done by providing appropriate training for current staff. Steps are currently being taken to identify staff training needs. Enabling staff to acquire the new skills they need will help to reduce resistance to change as well as heighten the efficiency and effectiveness of the Organization. Staff training programmes should thus become an amalgam of organizational requirements and staff aspirations, whereby common interests and self-interest are satisfied to the benefit of both parties: the Organization and the individual staff member. Clearly, a critical factor in this context will be the evolution of a new organizational culture where formal power is de-emphasized and accountability is enforced, while the team spirit prevails.

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* Reference copies of vacancy announcements number LVA-01/94 to LVA-07/94 will be available at the documents distribution desk during the twelfth session of the Board.

** Upon completion the terms of reference will be issued as a Director-General's Bulletin.

14. Essential to teamwork is a web of interrelationships supported by the effective and efficient flow of information within the Organization. Identical information systems cannot continue to be replicated throughout the Organization. Steps are already being taken to establish single-source systems that can be tapped by all Divisions, thus adding to cohesion and coherence by networking at all levels.

15. Equally essential to the development of teamwork are committees. Often seen as being conducive to bureaucracy or avoidance of responsibility, committees can, if effectively used, encourage synergy, avoid the emergence of hierarchical rigidity, expand the envelope of knowledge throughout the Organization, and provide guidance to decision makers. Committees in "neuralgic" areas are thus being established and solutions identified so that the Organization can adapt in line with the changes in the global industrial environment. In establishing those committees, particular care will be taken in drawing up the terms of reference. Not only will the purpose, responsibilities and functions of each committee be spelt out, but particular emphasis will be placed on accountability and follow-up, as well as on the form of membership and the proceedings to be followed.

16. All the above measures have been taken with a view to enhancing the substantive content of the Organization and ensuring that programming and implementation are more transparent, consistent and quality driven. In the ultimate analysis, the effective achievement of constitutional mandates and the optimal use of resources hinge on the Organization's ability to set its sights clearly on specific objectives and priorities. UNIDO can avoid gridlock by backing up those objectives with the appropriate structure and sound managerial practices. This has been recognized by Member States whose representatives at the fifth session of the General Conference committed themselves to renewing their political and financial support to the revitalized UNIDO. Without that support, the endeavours of the Organization will not have the impact that is sought.

II. ACTION REQUIRED OF THE BOARD

17. The Board may wish to take note of the steps taken since the fifth session of the General Conference to introduce the new organizational and staff structure, bearing in mind that the Organization is in the throes of an extended transition process.

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INDUSTRIALIZATION OF THE LEAST DEVELOPED COUNTRIES IN THE 1990s

Report by the Director-General

Summary

Updates previous reports on the implementation of General Conference resolutions GC.4/Res.9 and CG.4/Res.10 in accordance with Board decision IDB.11/Dec.13.

1. In its cooperation with the least developed countries (LDCs) in the 1990s, UNIDO is guided by the Paris Declaration and Programme of Action of the Second United Nations Conference on the Least Developed Countries as well as relevant mandates of the UNIDO policy-making organs, including General Conference resolution GC.4/Res.9 on policies for the industrialization of LDCs and resolution GC.4/Res.10 in which the Industrial Action Programme for the Least Developed Countries (PI/114) was adopted. More recently, in adopting resolution GC.5/Res.16, the General Conference at its fifth session recalled earlier decisions and resolutions on the subject and, in its operational paragraphs, directed specific appeals to the Member States, the international community and the Director-General.

2. The Board at its eleventh session (decision IDB.11/Dec.13) called for a number of actions including requests to the Director-General to pay particular attention to the subject in the reform exercise of UNIDO and to continue to accord highest priority to the least developed countries in the programme of the Organization, and to report on the implementation of Conference resolutions GC.4/Res.9 and GC.4/Res.10 to the fifth session of the General Conference and the twelfth session of the Board. Accordingly, a first report on the subject (GC.5/17), was presented by the Director-General to the General Conference at its fifth session. In providing information on the priority accorded to the LDCs programme within the framework of the overall revitalization of UNIDO, the present document updates information contained in document GC.5/17. Details on UNIDO technical assistance to LDCs in 1993 by country and source of funds are provided in the Annual Report of UNIDO 1993 (IDB.12/2, appendix F). 1/

3. In line with the concerns expressed in General Conference resolutions GC.4/Res.9 and GC.4/Res.10 and in Board decision IDB.11/Dec.13 on the issue of mobilization of financial resources for the industrial development of LDCs, the second ministerial Symposium on the Industrialization of the Least Developed Countries held at Yaoundé, Cameroon, from 3 to 10 December 1993, focused on the theme "Financing the Industrial Action Programme for the LDCs: A challenge for the 1990s". It was attended by 79 delegates at the ministerial level from LDCs. Participants included representatives from the host country and 42 representatives from financial institutions, non-governmental organizations and United Nations organizations. The delegates considered the major findings in the UNIDO working paper, Financing the Industrial Action Programme for the LDCs: A challenge for the 1990s (PPD.254(SPEC.)), to be in conformity with the experiences of the LDCs. With that understanding, the reorientation of the

1/ At the request of the first ministerial Symposium for the Industrialization of the Least Developed Countries (Vienna, November 1991), a review of UNIDO technical cooperation activities during the period 1991-1993 in favour of LDCs (PPD.253(SPEC.)) was prepared. Reference copies (English and French) will be available upon request at the documents distribution counter during the twelfth session of the Board.

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activities and structure of the Organization streamlines UNIDO's mechanisms to respond to the demands of the LDCs in their industrialization efforts. The important conclusions and recommendations emerging from the Symposium, which are in line with the new UNIDO orientation, and which the General Conference decided to include in its resolution GC.5/Res.16 as an annex, are currently under review by relevant sections within the Secretariat. Their implementation will, however, need the active support of the Member States, the international community in general, and the perseverance of the LDCs themselves as partners. To meet the challenge, the responsibility lies not in one organization but in teamwork with other partners involved in the development process. As requested in resolution GC.5/Res.16, a progress report on the implementation of the conclusions and recommendations of the Symposium will be presented through the Board to the General Conference at its sixth session.

4. Within the framework of the overall revitalization of UNIDO and its prioritization and structural reform, the priority sectors included in the Industrial Action Programme for the Least Developed Countries are being addressed in a more focused manner. For example, the mobilization and development of human resources in the LDCs is a crucial factor in promoting sustained and increasingly self-reliant socio-economic development. Human resource development is of central concern in the industrial context and is an important precondition for, as well as a result of, industrialization. For UNIDO it relates not only to the educational and training system at the national, regional and enterprise levels, but it is also closely associated with building up capabilities for the development, transfer and absorption of technology and a whole range of strategic industrialization issues. Central to the discussion of human resource development for industry are the need to create and upgrade continuously the skills, motivation and know-how required by industry and the need to utilize fully the human capabilities essential to achieving dynamic industrial growth, since a high skill level is a key determinant for an economy's competitiveness. Similarly, equitable development through industrialization in an endeavour to alleviate poverty and create industrial opportunities for all segments of the population will be promoted. Industrial entrepreneurship development, increased participation of women in industry and creating industry-related employment in poverty-stricken regions through regional dispersal of industrial development and the promotion of small- and medium-scale industrial enterprises and rural industrial development will be among the tasks undertaken within this objective which reflects the broad aims of UNIDO and conforms with most of the priorities set in the medium-term plan. The new structure of UNIDO further calls for strengthened support in the development of small and medium enterprises by lending support to their modernization process in such areas as enhancing entrepreneurship, upgrading technology, improving productivity, promoting subcontractual relationships between enterprises and facilitating access to resources and markets. Direct advice will be provided on policies and strategies with a view to assisting Governments to create an enabling environment for industrial and private sector development and competitiveness. Likewise, significant attention will be given to mechanisms for the economic and technical cooperation among developing countries.

ACTION REQUIRED OF THE BOARD

5. The Board may wish to take note of the information contained in the present document.

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Industrial Development Board

Twelfth session
Vienna, 9-13 May 1994
Item 11 of the provisional agenda

ELECTRONIC DATA-PROCESSING PROGRAMME OF UNIDO

Report by the Director-General

Summary

Updates information provided in documents PBC.9/6 and GC.5/27 on action taken in response to recommendations of the External Auditor and independent consultants and on the cost of EDP programme implementation and contractual commitments.

Annexes

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1. In its decision GC.4/Dec.18, paragraph (h), the General Conference requested the Director-General to report to the subsequent sessions of the policy-making organs on the programme and cost of implementing the consultants' recommendations and the recommendations of the External Auditor contained in documents GC.4/CRP.1 and GC.4/50 as regards the electronic data-processing (EDP) programme. Since the adoption of that decision, and commencing with document IDB.9/12, the Director-General has submitted reports to sessions of the policy-making organs providing the requisite information.

2. Annexes I and II to the present report update the information provided in document PBC.9/6 on action taken with respect to the recommendations of Touche Ross Management Consultants (GC.4/CRP.1) and those of the External Auditor (GC.4/50 and IDB.10/4-PBC.8/9, paras. 153-180), as well as the recommendations of Andersen Consulting. Those recommendations that have been fully implemented as reported in document PBC.9/6 are not included. Annexes III and IV, covering respectively the cost of implementation of the EDP programme and contractual commitments, have been updated to 31 December 1993 to provide a complete picture for the 1992-1993 biennium.

3. A new facilities management bidding procedure was initiated in mid-1993 with the aim of achieving savings in the cost of running the mainframe computer. In December 1993 the Contracts Committee endorsed the recommendation to award a facilities management contract to the International Atomic Energy Agency, and negotiations to finalize a contract are currently under way.

4. The implementation of the EDP programme has entered a phase of routine operation and controlled cost. Because no major developments in the status of the recommendations of Touche Ross Management Consultants and those of the External Auditor had taken place, as reported in IDB.11/23 and GC.5/27, no briefings of Permanent Missions took place between the eleventh session of the Board and the fifth session of the General Conference. A briefing is foreseen when the negotiations for a new facilities management contract have been concluded and further briefings are envisaged as major developments occur.

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Annex I

STATUS OF ACTION TAKEN ON OUTSTANDING RECOMMENDATIONS OF
TOUCHE ROSS MANAGEMENT CONSULTANTS a/
AND OF ANDERSEN CONSULTING b/

OUTSTANDING RECOMMENDATIONS	CURRENT STATUS
1. There is a need for a systematic review of procedures within UNIDO. This review must come about from a management initiative and cannot be led by EDP. There is too much duplication of effort and too much reliance on paper-based methods. (8.1.2)	1. As reported in PBC.9/6, the Division of Administration continues to streamline its procedures with the primary focus on eliminating duplication of effort and reducing paper flow. A simplified procedure for the processing of personnel actions that relies on a computerized system was recently introduced. As new changes materialize, a statement on the impact of such streamlining will be the subject of future updated reports.
2. The information technology steering group should identify and sanction any proposed changes to packages. (8.1.3)	2. With the endorsement of the Information Technology Steering Committee (ITSC), an add-on software package was acquired in 1993 in order to provide security to programs written using NATURAL. At the present time no additional changes to the software environment are envisaged. However, if required they will be implemented only upon ITSC endorsement.
3. Extensive training of EDP will be required in the use of new methods and tools. (8.1.3)	3. Management Information Services (MIS) senior staff trained in the use of the methodology and tools for information systems development have been applying their knowledge of SSADM (Structured Systems Analysis and Design Methodology) and SSADM Engineer, the CASE (Computer-Aided Software Engineering) tool, and have passed on this knowledge and experience to other colleagues. One of the meetings of ITSC in 1993 was dedicated to training activities. This resulted in directives for the plan for 1994 computer-related training of UNIDO staff as well as the policy on training for technical staff of MIS. Based on the trends in technology and the recommendation of ITSC, and in preparation for the task of moving to a distributed computing environment, three MIS staff members received training in 1993 in client/server architecture and distributed computing. In order to update existing staff skills in the application of new technologies, considerable training of MIS staff will be required in the 1994-1995 biennium.
4. Further investment in current systems should be avoided. Maintenance of existing systems must be restricted to changes which are absolutely essential, even if this will undoubtedly lead to dissatisfaction in the user community. The commitment of management is vital to maintain the support and understanding of the user community during this difficult period. (8.1.3)	4. As reported in PBC.9/6, only a limited number of activities in the form of new application development projects could be addressed in 1993. The recent staff reductions will have a further impact on the development of new applications in 1994. Consequently, reliance on existing systems will have to continue and essential maintenance tasks or necessary system enhancements will consume most of the existing resources of the Applications Services Unit.

a/ References in the column "Outstanding recommendations" refer to sections of the final report of Touche Ross (GC.4/CRP.1).

b/ Strategic Automation Plan - Phase 2 Final Report, Vienna, 16 June 1992.

5. The use of package application software should be viewed as a primary source of new systems. (8.1.3) The option of obtaining a suitable package should be considered first and, only after dismissing this possibility, should the option of developing in-house be considered. (8.3.1.) Packages should only be chosen where the amount of customization needed can be kept to a minimum. (8.3.1) Changes to packages should be kept to a minimum and reflect only changes which are essential. (8.1.3)	5. Reported in PBC.9/6. Could be eliminated from future updated reports.
6. If FINSYS/PERSYS of FAO is put in place and modifications are needed, these should be contracted out, together with future maintenance, to a third party software house rather than build another skill set within UNIDO. (8.3.1)	6. As reported in PBC.9/6 and based on the recommendations of Andersen Consulting, the FAO system will not be considered any further. Instead, UNIDO will continue to rely on the Integrated Management Information System (IMIS) being developed by the United Nations in New York. For this purpose, MIS will closely follow developments and the implementation of the first components in Vienna later this year.
7. EDP will need to have in place a formal process for managing development projects, analysing user requirements and for turning the requirements into quality applications. (8.2) For this, the PRINCE methodology should be used and PRINCE project boards put in place. (8.2.1) UNIDO should acquire a project management tool, running on a PC, to assist in the control of projects. (8.2.1) UNIDO should acquire a methodology to provide EDP with a clear structure for development and give a list of tasks to be performed at each stage in the systems development life-cycle: strategic systems planning, tactical systems planning, systems analysis and logical design, selection of packages, building of custom-written systems, systems implementation. Automated tools should also be acquired to support the analysis and design stages (CASE tools). (8.2.2)	7. Reported in PBC.9/6. Could be eliminated from future updated reports.
8. Better communications with the field need to be put in place. In the long-term, if and when it can be cost-justified, computer-based communications can be considered. (8.1.1)	8. As endorsed by ITSC in December 1993, UNIDO will become a node of Internet in early 1994. As a non-commercial global network that links together over 15 million users in more than 60 countries, Internet can be a vehicle to improve communication with the field and to promote access to industrial and technological information databases.
9. The cabling programme should be resumed with the wiring of six floors in 1992-1993 and the remainder in 1994-1995. Priority should be given to those floors with greatest needs. (8.3.2)	9. As reported in PBC.9/6, two floors were cabled in 1993 and two are planned to be cabled in 1994. This will contribute to a simplification of computer reconnection as a result of the restructuring of the Secretariat.
10. PCs in EPL/LD must be connected by means of a LAN. (8.3.2) The Wang VS processors should be phased out in approximately two years. (8.3.2, 8.3.3)	10. Reported in PBC.9/6.
11. The acquisition of 90 PCs per biennium should go a long way towards satisfying UNIDO needs. (8.3.2)	11. The number of PCs to be acquired in 1994-1995 will be based on this Touche Ross recommendation. However, lower hardware costs will facilitate the replacement of obsolete or malfunctioning equipment.

Annex II

STATUS OF ACTION TAKEN ON RECOMMENDATIONS OF
THE EXTERNAL AUDITOR

PRIMARY RECOMMENDATIONS	CURRENT STATUS
1. A system should be established to spread all EDP non-staff costs among different user Departments. (GC.4/50, paras. 12, 45, 46)	1. As reported in PBC.9/6, a system to distribute non-staff costs is in place. It has been used for presentation purposes, to distribute the computerization budget among divisions. Since 1993 MIS staff has charged time worked against various projects and activities in the work plan; this could become the basis for distribution of MIS staff costs. A plan will be proposed to ITSC, with the purpose of budgeting the allocation of MIS staff costs and subsequently distributing the actual costs in the 1996-1997 biennium.
2. A disaster recovery plan should be worked out which would enable both UNIDO and IAEA to mutually provide a backup computer installation at no additional costs. (GC.4/50, paras. 16, 62-65)	2. Discussions with representatives of IAEA in 1993 did not yield an agreement for a mutual backup installation because, by end 1994, IAEA will have migrated all mission-critical applications from the mainframe computer. However, the need for UNIDO to have a backup facility in case of disaster has again been included in the negotiations for facilities management services and the outcome will be reported in the next report.
3. A system for managing, controlling and auditing automation projects should be introduced. (GC.4/50, paras. 18, 71-75)	3. Reported in PBC.9/6. Could be eliminated from future updated reports.
4. A major objective should be intensive training of the existing EDP staff in the use of modern data-processing techniques and tools, and of the end-users regarding the relevant applications and software packages. (IDB.10/4, para. 178)	4. Covered under recommendation No. 3, annex I, in this and future updated reports.
5. Standards should be established and complied with, throughout the Organization as a whole, regarding the use of software packages (i.e. word processing, database products, spreadsheets) thus enabling the transfer of any document without conversion problems and/or duplication of efforts. (IDB.10/4, para. 179)	5. In addition to its endorsement of standards regarding hardware and basic software as reported in PBC.9/6, ITSC has since endorsed standards for minimum hardware configurations, as well as related software, for future acquisition. Additional standards, as well as procedures to facilitate the transfer of information between the mainframe and desktop equipment, have been submitted to and are pending endorsement by the Committee.
6. It is also of great importance that EDP staff as well as the end-users will be highly motivated to accept the (new) tools and applications as a valuable support to their work. This applies to UNIDO staff at Headquarters as well as for field staff. (IDB.10/4, para. 180)	6. Reported in PBC.9/6. Could be eliminated from future updated reports.

Annex III

COST OF IMPLEMENTATION IN 1992-1993 BIENNIUM

(In US dollars at US$ 1 = AS 12.90)

	1992-1993 allotments (1) a/	Disbursements 01/01/92-31/12/93 (2)	Obligations (3) b/	Expenditure (2 + 3) (4)	Balance (1 - 4) (5)
Staff costs	3,957,500	3,893,929	61,485	3,955,414	2,086
Income	(286,400)	(292,408)	-	(292,408)	6,008
Mainframe					
Hardware	1,686,200	1,686,114	-	1,686,114	86
Software	1,445,100	1,380,309	42,326	1,422,635	22,465
Operation and maintenance	2,163,400	2,163,361	-	2,163,361	39
Office automation					
Hardware	1,130,400	956,107	171,992	1,128,099	2,301
Software	189,600	131,230	53,257	184,487	5,113
Maintenance	673,000	622,870	23,388	646,258	26,742
Other					
Supplies and materials	397,700	282,443	101,472	383,915	13,785
Network	316,100	173,604	122,436	296,040	20,060
External computer costs	25,000	19,542	5,271	24,813	187
Training	285,000	265,950	18,284	284,234	766
Consultancy support	120,000	110,848	8,500	119,348	652
Software development	52,100	52,072	-	52,072	28
Printing and reproduction	300	164	-	164	136
Income	(340,000)	(375,571)	-	(375,571)	35,571
TOTAL	11,815,000	11,070,564	608,411	11,678,975 c/	136,025

a/ Allotments represent the 1992-1993 biennium appropriations excluding inflation on non-staff costs.

b/ Obligations include contractual commitments for 1992 and 1993.

c/ Total expenditure of $11,678,975 for the biennium compares favourably against the approved appropriation of $12,363,000 (GC.4/Res.27).

Annex IV

CONTRACTUAL COMMITMENTS IN THE BIENNIUM 1992-1993

(In US dollars at US$ 1 = AS 12.90)

Contract number	Supplier	Description	Period	1992	1993	1994	Total
92/319	IBM	Mainframe leasing	07/02/89-30/06/94	790,698	790,698	2,435,594	4,016,990
92/295	IBM	Software licence	07/02/89-31/03/94	456,205	475,824	122,333	1,054,362
92/303	IBM	Facilities management	01/07/90-31/03/94	1,057,302	1,096,357	264,326	2,417,985
92/300	IBM	Token ring network	07/02/89-31/12/94	14,056	14,688	14,688	43,432
92/230	IBM	Computer manuals	01/01/92-31/12/92	7,054	-	-	7,054
92/318	Olivetti	Leasing of 100 PCs	01/01/89-30/09/93	100,279	75,209	-	175,488
92/291	Olivetti	Leasing of printers	01/10/89-30/09/93	60,694	45,520	-	106,214
92/345	Olivetti	Olivetti PC maintenance and repair	01/01/92-29/02/92	26,849	-	-	26,849
92/284	Management Data Wang	PC and printer leasing	01/03/90-28/02/94	70,750	70,750	11,790	153,290
92/292	Dataservice	PC leasing	01/04/89-31/05/93	15,005	5,660	-	20,665
92/321	MBA	PC leasing	12/12/89-31/12/93	16,477	16,477	-	32,954
92/302	Rank Xerox	RX4090 printer/copier maintenance	01/07/90-open-ended	62,065	62,065	-	124,130
92/224	Rank Xerox	RX4050 printer/copier rental and maintenance	01/01/91-open-ended	95,837	95,837	-	191,674
92/327	Rank Xerox	4046 printer rental	04/04/89-open-ended	6,716	-	-	6,716
92/320	Rank Xerox	EPIC and HFDL software maintenance	01/12/89-open-ended	2,944	3,037	-	5,981
92/346	Rank Xerox	Cost of prints for laser printers	01/01/92-31/12/92	34,884	-	-	34,884
92/347	Rank Xerox	Laser printer maintenance	01/01/92-31/03/92	7,581	-	-	7,581
92/348	Rank Xerox	Laser printer maintenance	01/01/92-31/03/92	800	-	-	800
92/299	Candle	Omegamon software maintenance	01/07/89-open-ended	18,412	18,412	-	36,824
92/306	Computer Associates	Librarian MVS software maintenance	04/12/89-open-ended	22,133	23,240	-	45,373
92/288	APT	Oliver software maintenance	11/12/89-open-ended	6,089	6,500	-	12,589
92/307	SAS Heidelberg	SAS Base System and utilities	01/04/90-open-ended	50,090	51,380	-	101,470
92/245	SAS Heidelberg	Computer manuals	01/01/92-31/12/92	4,884	-	-	4,884
92/296	Software AG	ADABAS maintenance	21/12/89-open-ended	45,888	53,222	-	99,110
92/246	Software AG	Computer manuals	01/01/92-31/12/92	4,806	-	-	4,806
92/231	General Electric	Geisco service	01/01/92-31/12/93	11,628	11,628	-	23,256
92/248	Gammag	Wang master CPUs maintenance and repair	01/01/92-30/04/93	52,656	32,841	-	85,497
92/248	Gammag	Wang software support	01/01/92-31/12/92	13,029	-	-	13,029
92/307	IAEA	Computer usage	07/02/89-open-ended	4,651	4,651	-	9,302
92/229	IAEA	LTC maintenance	01/01/92-31/12/92	7,643	-	-	7,643
92/229	IAEA	LTC rental	01/01/92-31/12/92	10,060	-	-	10,060
92/297	University of Vienna	EARN participation	01/01/92-31/12/93	7,442	7,442	-	14,884
92/309	International Computing Centre, Geneva	Participation	01/01/92-31/12/93	16,000	6,000	-	22,000

Contract number	Supplier	Description	Period	1992	1993	1994	Total
92/311	Telerate	Financial market information	01/01/92-31/12/93	7,209	9,437	-	16,646
92/314	PTT	Line rental and use	01/01/92-31/12/93	1,163	1,163	-	2,326
92/232	PTT	Line rental and use	01/01/92-31/12/93	19,690	19,690	-	39,380
92/233	Radio Austria	Line rental and use	01/01/92-31/12/93	1,163	1,163	-	2,326
92/234	PTT	Line rental and use	01/01/92-31/12/93	9,302	12,403	-	21,705
92/235	Radio Austria	Line rental and use	01/01/92-31/12/93	2,326	2,326	-	4,652
92/236	PTT/Radio Austria	Line rental and use	01/01/92-31/12/93	349	349	-	698
92/237	PTT	Line rental and use	01/01/92-31/12/93	698	930	-	1,628
92/212	Prager Consult	Training	01/01/92-30/06/92	96,613	-	-	96,613
92/212	Prager Consult	Training	15/09/92-31/12/93	33,645	128,913	-	162,558
92/422	Elektro Polst	Cabling of floor D-18	07/10/92-23/12/92	46,111	-	-	46,111
92/405	Share Europe	Membership fee	01/07/92-31/12/93	400	937	-	1,337
92/251	Andersen Consulting	Consultancy	Dec.1991-31/12/92	65,000	-	-	65,000
92/349	TSG	Computer equipment	01/01/92-31/03/92	56,203	-	-	56,203
93/281	TSG	maintenance and repair	1993	-	77	-	77
92/339	Alcatel	Leasing of 12 PCs	01/01/92-31/05/92	5,863	-	-	5,863
92/350	Maschinda	Bar code reader maintenance (UNIDO portion)	01/01/92-31/12/92	914	-	-	914
92/352	Gammag	Repairs and maintenance	1992	1,482	-	-	1,482
92/353	Software AG	Repairs and maintenance	1992	62	-	-	62
92/358	Anglo Elementar	Repairs and maintenance	1992	33	-	-	33
92/377	Anglo Elementar	Repairs and maintenance	1992	189	-	-	189
92/382	EDV Software AG	Software	1992	3,625	-	-	3,625
92/382	EDV Software AG	Software	1992	1,741	-	-	1,741
92/386	Anglo Elementar	Spares	1992	33	-	-	33
92/388	Rank Xerox	Computer equipment maintenance	1992	1,484	-	-	1,484
92/389	Rank Xerox	Computer equipment maintenance	1992	1,843	-	-	1,843
92/390	Gammag	Computer equipment maintenance	1992	1,893	-	-	1,893
92/393	Computer Associates	Software licence fee	1992 and 1993	3,256	3,256	-	6,512
92/397	Gammag	Maintenance	1992	1,008	-	-	1,008
92/398	Gammag	Maintenance	1992	4,933	-	-	4,933
92/402	Rank Xerox	Repairs and maintenance	1992	3,552	-	-	3,552
92/403	Gammag	Repairs and maintenance	1992	4,960	-	-	4,960
92/410	Candle	Maintenance and repairs	1992	10,853	-	-	10,853
92/411	Gammag	Repairs	1992	6,327	-	-	6,327
92/412	SRS	Repairs	1992	1,039	-	-	1,039
92/415	Experteam	Training	1992	9,922	-	-	9,922
92/419	Alcatel	Repairs and maintenance	1992	2,319	-	-	2,319
92/420	Gammag	Repairs	1992	3,708	-	-	3,708
92/421	Rank Xerox	Repairs	1992	89	-	-	89
92/425	Data Transport Systems	Consultancy	1992	4,000	-	-	4,000
92/425	Data Transport Systems	Consultancy	1992	2,000	-	-	2,000
92/426	EDV Software	Software licence	1992	28,130	-	-	28,130
92/430	Rank Xerox	Repairs and maintenance	1992	253	-	-	253
92/431	Schiessel	Repairs and maintenance	1992	380	-	-	380

Contract number	Supplier	Description	Period	1992	1993	1994	Total
92/432	Rank Xerox	Repairs and maintenance	1992	819	-	-	819
92/433	Gammag	Repairs and maintenance	1992	5,083	-	-	5,083
92/434	Gammag	Repairs and maintenance	1992	7,860	-	-	7,860
92/439	Gammag	Repairs and maintenance	1992	7,864	-	-	7,864
93/290	Rank Xerox	Maintenance and prints	1993	-	7,752	-	7,752
93/325	Rank Xerox	Maintenance and prints	1990 and 1991	-	65,683	-	65,683
93/327	Rank Xerox	Maintenance and repairs	1993	-	13,566	-	13,566
93/328	Gammag	Maintenance and repairs	1993	-	93,024	-	93,024
93/329	Alcatel	Maintenance and repairs	1993	-	3,876	-	3,876
93/330	Olivetti	Maintenance and repairs	1993	-	3,876	-	3,876
93/331	TSG	Maintenance and repairs	1993	-	3,876	-	3,876
93/332	Schiessel	Maintenance and repairs	1993	-	3,876	-	3,876
93/267	Software AG	NATURAL CICs, NATURAL ISPF licence fee	1993	-	40,186	-	40,186
93/371	Touche Ross	Review facilities management specifications	1993	-	15,504	-	15,504
93/372	Computer Weekly	Advert, facilities management contract	1993	-	1,298	-	1,298
93/374	IDG (Computerwelt)	Advert, facilities management contract	1993	-	904	-	904
93/374	IDG (Computerwoche)	Advert, facilities management contract	1993	-	1,378	-	1,378
93/375	IDG (Computerworld)	Advert, facilities management contract	1993	-	1,545	-	1,545
93/385	IAEA	LTC maintenance	1993	-	7,752	-	7,752
93/386	Maschinda	Bar code reader maintenance (UNIDO portion)	1993	-	928	-	928
93/399	Compuware System Software	CICS Abend Aid software licence fee	1993	-	33,529	-	33,529
93/416	EDV Software	NATURAL ISPF user manuals	1993	-	698	-	698
93/417	EDV Software	NATURAL for VSAM	1993	-	41,364	-	41,364
93/425	Touche Ross	Review facilities management contract bids	1993	-	8,582	-	8,582
93/436	Data Transport Systems	Consultancy	1993	-	1,500	-	1,500
CLT 93/209	H. Licayan	Consultancy	1993	-	21,000	-	21,000
CLT 93/064	Mustonen	Consultancy	1993	-	12,000	-	12,000
93/449	EVN Rechenzentrum	Installation NATURAL V.2.2.5	1993	-	3,101	-	3,101
93/462	Elektro Polst	Cabling floors D-16, D-21	1993	-	100,197	-	100,197
93/475	EVN Rechenzentrum	Installation NATURAL V.2.2.5	1993	-	32,946	-	32,946
	TOTAL			3,568,996	3,668,023	2,848,731	10,085,750

Abbreviations

CPU - Central processing unit
LTC - Local terminal controller
PC - Personal computer

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UNIDO TECHNICAL COOPERATION ACTIVITIES IN 1993

Development of a quality management system for UNIDO technical cooperation

Report by the Director-General

Summary

In response to Board decision IDB.11/Dec.8, reports on action taken and further action required for the introduction of a quality management system for UNIDO technical cooperation.

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Introduction

1. Pursuant to decision IDB.11/Dec.8 on UNIDO technical cooperation activities adopted by the Industrial Development Board at its eleventh session in July 1993, the Secretariat has recently intensified its work on the management of quality throughout the programme/project cycle to complete a draft quality management system for UNIDO technical cooperation activities comprising a set of defined responsibilities, procedures, methods and resources. The present document draws attention to the activities that have already been completed and those which will be carried out in the near future.

2. By the end of 1993, quality had been squarely placed at centre stage in the debate on UNIDO, its raison d'être, its future mandate. The issue of quality originally appeared at the fourth session of the UNIDO General Conference in 1991. Since then, increasing demands have been placed on UNIDO - both from inside the Organization and from Member States - to ensure the quality of technical cooperation projects of UNIDO in terms of concepts, approaches, inputs and developmental impact. The clients in the developing countries and the donor countries alike stressed the need for improved quality as supported by findings of UNIDO evaluation reports and of analyses carried out by various bilateral cooperation agencies.

3. In an endeavour to meet these concerns, the quality standards defined in 1991 - relevance, cost-effectiveness and sustainability - have been further elaborated and the methods of assessing their attainment have been determined (PPD.257). Obviously, the attainment of quality depends primarily on the capacity of UNIDO to identify, formulate and deliver the services that are specifically required by the client. To reach that goal, the purpose of the programme and the desired developmental impact of the target beneficiaries/population groups need to be focused on from the outset.

4. So that UNIDO can meet its own standards, a quality system for technical cooperation has

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been proposed on the basis of the principles set out in ISO 9004-2 (Guidelines for Service Organizations). A system of this kind requires the precise definition of quality-related responsibilities, procedures, methods and resources. It calls for a clear statement on the part of the Organization of its quality objectives and related policy that enjoy the full support and commitment of senior management. It also assumes that current personnel management policy will be reviewed to include a system of incentives and sanctions that are essential to staff motivation.

5. During the restructuring exercise that became effective 1 January 1994, and as part of the overall process reported on in the progress report by the Director-General on the policy framework of UNIDO - organizational and staff structure (document IDB.12/5), measures were taken to enhance the quality assurance system and broaden its application. To that end, quality assurance officers have been placed in the various implementing divisions. These officers will contribute to the coherent application of programme management and project planning methodologies from the very beginning to the end of the UNIDO service management cycle as well as ensure the maintenance of a quality system throughout the Organization. Quality assurance will thus not only be a determining factor at the outset of the project development process, but also a paramount feature throughout the delivery of services. It will also constitute a yardstick against which to measure developmental impact. In this latter context, project evaluation can provide analytical and objective feedback to management on the relevance, efficiency, effectiveness and sustained impact of UNIDO services for the purpose of enabling the improvement of the quality of design and delivery of current and future UNIDO services.

I. ACTION COMPLETED

6. The following activities had been completed by March 1994:

(a) The concept that UNIDO is a service organization supporting development programmes managed by developing countries, as derived from the UNIDO Constitution, was further elaborated (see "The improved management of development cooperation - A proposal for discussion" (PPD.257(SPEC.)) and discussed;

(b) Five development objectives to be achieved at the country level with UNIDO support have been identified (IDB.11/31-GC.5/23, paras. 39-46) and were approved by the General Conference at its fifth session (GC.5/Res.18);

(c) Quality standards and the methods for assessing relevance, cost-effectiveness and sustainability have been defined (GC.4/28, General Conference decision GC.4/Dec.11, Industrial Development Board decisions IDB.9/Dec.7 and IDB.10/Dec.9 and PPD.257(SPEC.));

(d) The quality management principles (IDB.11/31-GC.5/23, paras. 85-88) were approved by the General Conference (resolution GC.5/Res.1);

(e) The objective and the main requirements for the introduction of the quality system for technical cooperation and of the quality management system for the Organization as a whole were developed through an internal workshop held in February 1994 (details can be obtained from the Secretariat);

(f) A proposal for the service management process (technical cooperation cycle) was prepared in March 1994. These guidelines define the responsibilities and procedures applicable to the different stages of the service management process, as well as the roles and responsibilities of the different organizational units involved. The process will constitute an integral element of the Organization's quality management system;

(g) An outline for the preparation of country support strategies has been prepared, providing a framework for the identification and delivery of UNIDO services within its areas of concentration and in support of the countries' own efforts to achieve their industrial development goals.

II. FURTHER ACTION PLANNED

7. To complete the quality system for technical cooperation and to put it into effect, the following steps are to be undertaken in the immediate future:

(a) Detailed determination of the UNIDO areas of concentration and development of the related conceptual frameworks for the efforts of UNIDO to promote the achievement of the five development objectives at the country level;

(b) The precise delineation of responsibilities between the central Quality Assurance Unit and the outposted quality assurance officers to ensure the uniform application of established quality standards: relevance, cost-effectiveness and sustainability (see the programme and budgets, 1994-1995 (GC.5/14/Rev.1, paras. 3.7-3.11));

(c) Preparation of a quality manual as a point of reference for the identification, formulation and delivery of UNIDO services; it will contain the responsibilities, procedures and methods to ensure quality;

(d) Development and conduct of an intensive staff development and training programme for senior managers and other staff on the management of quality based on the project cycle management methodology;

(e) A revised system for the assessment of the performance of managers and other staff and for awarding credit for teamwork will have to be adopted.

8. For the above steps to be understood and applied by all managers and other staff, a participatory approach involving the responsible units and staff within the eight Divisions will be adopted. The need for precise and effective systems and procedures to implement, monitor, evaluate and audit the quality system will be reviewed.

III. ACTION REQUIRED OF THE BOARD

9. The Board may wish to take note of the present report.

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OPERATIONAL ACTIVITIES FOR DEVELOPMENT

Note by the Director-General

Summary

Brings to the attention of the Board the relevant parts of United Nations General Assembly resolution 47/199 and reports on action already taken or envisaged by UNIDO in respect of various provisions of this and related resolutions.

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Introduction

1. At its forty-seventh session the United Nations General Assembly adopted resolution 47/199 on the triennial policy review of operational activities for development within the United Nations system that deals with the strengthened and coherent coordination of the activities of the United Nations system at the field level, covering a broad range of issues, inter alia: the preparation of country strategy notes, the programme approach, decentralization through field offices and the strengthened role of the resident coordinators within the United Nations system. The resolution stresses the need for streamlining and rationalizing the processes and procedures of the United Nations system, especially in the interrelated areas of programming, execution, decentralization, monitoring and evaluation, in order to make the United Nations system more relevant and responsive to the national plans, priorities and objectives of developing countries, and more efficient in its delivery system. At its forty-eighth session, the General Assembly adopted resolution 48/209 that deals exclusively with the issue of field offices of the United Nations development system.

2. In paragraph 51, resolution 47/199 calls upon the governing bodies of the funds, programmes and specialized agencies of the United Nations system to take appropriate action for the full implementation of the resolution and requests their executive heads to submit a yearly progress report to their governing bodies on measures taken and to be taken for its implementation. In accordance with paragraph 54 of the same resolution, the

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Secretary-General of the United Nations submitted to the Economic and Social Council at its substantive session in 1993 a first progress report (E/1993/73) on the implementation of the resolution. Subsequently, the Economic and Social Council adopted resolution 1993/7 in which it urged the heads of the specialized agencies of the United Nations system to make every effort further to improve the efficiency and effectiveness of their organizations, and to inform their governing bodies on measures taken in that regard in their annual reports.

3. The Director-General is herewith bringing to the attention of the Board the following report on actions taken or envisaged by UNIDO in respect of the various provisions of resolution 47/199 and the other related resolutions mentioned above. The sequence of the issues mentioned in the present report is based on the format proposed by the Coordinator for Operational Activities of the Department for Policy Coordination and Sustainable Development (DPCSD) to all members of the Consultative Committee on Programme and Operational Questions (CCPOQ). A summary of the contents of the present report was recently forwarded to DPCSD for inclusion in the progress report on the implementation of resolution 47/199 to be submitted by the Secretary-General of the United Nations to the Economic and Social Council at its 1994 substantive session.

I. COUNTRY STRATEGY NOTE

(General Assembly resolution 47/199, paras. 9-10)

4. UNIDO welcomes and fully supports the initiative to develop United Nations country strategy notes in order to utilize United Nations system resources for development in a coherent and focused manner. In fact, UNIDO is actively involved in this process in a dozen countries across all developing regions.

5. Complementary to the overall United Nations process, UNIDO is developing its own country support strategies as a new programming tool. These UNIDO country support strategies will elaborate an integrated response to a country's industrial development needs and contain priority areas and programme thrusts for services to be provided by the Organization. Within the United Nations system, they will also assert the central coordinating role of UNIDO on industrial development issues and serve as a substantive support instrument for funds mobilization efforts.

II. PROGRAMME APPROACH

(General Assembly resolution 47/199, paras. 12-14)

6. Prior to the adoption by the General Assembly of resolution 47/199 in December 1992 and even resolution 44/211 in December 1989, UNIDO had already been developing a programme approach methodology as an alternative to the traditional individual technical cooperation projects. 1/ Among the programmes developed and promoted to gain experience with the approach and understanding of the difficulties, the most successful to date is clearly the integrated leather programme in Africa.

7. Based on this experience and methodology UNIDO has also played an active role at the inter-agency level, in particular with the United Nations and the United Nations Development Programme (UNDP) in developing a system-wide consensus on the programme approach concept as well as related policy guidelines and formats and appropriate evaluation measures. While different organizations still have varying approaches in response to their mandates, an overall United Nations-wide framework is now developing. Within that framework UNIDO is elaborating integrated programmes combining technical cooperation with its regular budget-funded services in such areas as investment promotion, technology transfer, policy advice and information activities.

III. NATIONAL EXECUTION

(General Assembly resolution 47/199, paras. 15-18)

8. From the early 1980s, in all projects under its execution, UNIDO has promoted national responsibility and management control by national authorities and will continue to do so wherever possible. In discussions within the United Nations system on the subject UNIDO has, however, expressed concern that national execution may be interpreted to exclude the technical support of specialized organizations.

9. In the view of the UNIDO Secretariat, national execution is most successful and contributes most to national capacity building when national authorities have full access to the technical and other support activities and capacities of the United Nations system. UNIDO continues to promote this view, the validity of which is continuously underlined by actual experience in projects and programmes. For projects funded by UNDP, proper application of the technical support services at the project level (TSS-2) component of the successor arrangements for agency support costs is therefore considered an essential tool to ensure such technical support.

IV. DECENTRALIZATION AND DELEGATION OF AUTHORITY

(General Assembly resolution 47/199, paras. 24-25; Economic and Social Council resolution 1993/7, para. 12)

10. Paragraphs 24 and 25 of resolution 47/199 were taken into account in the preparation of a comprehensive report (IDB.11/7) on UNIDO field representation submitted to the Industrial Development Board at its eleventh session. The report highlighted the financial constraints of the current UNIDO Country Director (UCD) programme and made specific recommendations on the future UCD programme towards "demand orientation and decentralization", including the establishment of a subregional representation scheme. The report (paras. 17-23 and 26-28) shows that, in line with the request of the Economic and Social Council (resolution 1993/7, para. 12) UNIDO draws on all possible sources of financing for its field representation, including redeployment of staff. In its decision IDB.11/Dec.29, the Board took note of document IDB.11/7 and requested the Director-General to prepare a programme framework for field representation that would take into account the relevant discussions in the United Nations General Assembly.

11. In response to the above decision and on the basis of the findings of an internal task force, a draft proposal for a programme framework for field representation has been prepared in which various aspects of decentralization of UNIDO field offices

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1/ See also document GC.4/28, chap. I.

are examined within the context of the unified field representation and specific suggestions are made with regard to strengthening of the UCD programme including the increased redeployment of Headquarters staff to the field. Upon finalization, the proposed programme framework will be used as a basis for negotiating extrabudgetary financing of the UCD programme. A report on the implementation of Board decision IDB.11/Dec.29, including the status of the proposed programme framework for field representation, will be submitted to the Board at its thirteenth session through the Programme and Budget Committee at its tenth session.

V. SIMPLIFICATION AND HARMONIZATION OF PROCEDURES FOR PROJECT DESIGN, EVALUATION, MONITORING AND AUDIT

(General Assembly resolution 47/199, paras. 33-34)

12. UNIDO has for many years harmonized its project design methodology and procedures with those of UNDP, allowing for simplification when necessary. Concerning harmonization of evaluation procedures and formats, UNIDO played a leading role in the 1980s at an informal inter-agency working group on evaluation. In 1985, UNDP effectively adopted the UNIDO internal evaluation system of project performance evaluation reports for all its projects. Currently, UNIDO is examining the extent to which the methodologies and instruments developed for project evaluation can also be applied to programme evaluation.

13. With regard to auditing, UNIDO has played an active role towards the development of common approaches within the United Nations system such as the common audit manual, common standards for internal auditing systems, and creation of a common internal audit journal, in the context of the annual meeting of representatives of internal audit services of the United Nations organizations and multilateral financial institutions. At the next meeting, to be convened in May 1994 at Rome, Italy, UNIDO will present and discuss specific views regarding internal audit work planning and risk assessment to the representatives of the United Nations agencies.

VI. COMMON PREMISES

(General Assembly resolutions 47/199, para. 42, and 48/209, para. 6)

14. At present, UCD offices are fully integrated in the administrative and organizational structure of the UNDP offices. UNIDO is thus sharing the administrative infrastructures with UNDP offices in developing countries. In fact, with the transfer to UNIDO of the entire administration of UCD offices in April 1989, UNDP field offices started to charge an increasingly larger portion of the local support costs of UCD offices (i.e. local staff, premises, furniture and equipment, vehicles, communication, supply and materials, uniforms, joint administrative activities) to the extent that the 1992-1993 UCD budget showed a significant cost overrun.

VII. TRAINING (NATIONAL AND INTERNATIONAL)

(General Assembly resolution 47/199, paras. 43-47)

15. UNIDO has co-sponsored the training activities carried out during the past three years under the CCPOQ on system-wide issues and, wherever possible, UCDs have participated in the training of United Nations country teams. A UNIDO staff member also participated as trainer in five of the 20 field workshops organized by UNDP on the successor arrangements for support costs and the new execution and implementation arrangements, and UCD participation has been ensured in most of the cases. Since 1984 UNIDO has organized headquarters and in-country training workshops for United Nations staff and national officials on technical cooperation project design and evaluation. It has also organized a considerable number of training courses on feasibility analysis of investment projects.

VIII. RESIDENT COORDINATOR SYSTEM

(General Assembly resolutions 47/199, paras. 38-39 and 48/209)

16. UNIDO is supportive of the strengthening of the United Nations resident coordinator system. In fact, the envisaged role and functions of the resident coordinator/UNDP resident representative had already been taken into account in the Memorandum of Understanding concerning field representation signed between UNDP and UNIDO in April 1989. However, it is essential that the resident representative/resident coordinator takes a system-wide view to be credible as a representative of UNIDO. In view of the changing role of UNDP and the development of the resident coordinator system, as well as the envisaged changes in UNIDO field representation, the Memorandum of Understanding might have to be revised to provide a more clear definition of the role of UCDs in relation to resident coordinators. While effective coordination is essential, the UNIDO field staff should be entirely responsible for the assessment of changing country requirements in the field of industrial development and for follow-up of UNIDO programmes. They should also be able to maintain close working relationships with governmental/private sector bodies and funding agencies in their country of assignment in order to develop and negotiate all aspects including programme funding.

17. UNIDO is participating in an inter-agency task force led by the United Nations on the resident coordinator system that intends to develop terms of reference and guidelines for the system.

IX. IMPROVEMENT OF EFFICIENCY AND EFFECTIVENESS

(Economic and Social Council resolution 1993/7, para. 2)

18. A report on action taken by the UNIDO Secretariat in the development of a quality management system (IDB.12/8) has been submitted to the Board at its current session under item 5 of the provisional agenda: UNIDO technical cooperation activities in 1993.

X. ACTION REQUIRED OF THE BOARD

19. The Board may wish to take note of the present report and make appropriate recommendations.

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LISTS OF STATES INCLUDED IN ANNEX I TO THE CONSTITUTION OF UNIDO

Note by the Secretariat

1. Reference is made to the Lists of States included by the Depositary in Annex I to the Constitution of UNIDO, contained in document UNIDO/GC.1/3. According to Annex I to the Constitution, the Lists of States to be included by the Depositary (Secretary-General of the United Nations) in that Annex are the lists determined by the General Assembly of the United Nations for the purpose of section II, paragraph 4, of General Assembly resolution 2152 (XXI), as in effect on the date the Constitution entered into force, namely on 21 June 1985.

2. As of 9 May 1994, 166 States were Members of UNIDO. Of these, 156 are shown in the Lists of States to be included by the Depositary in Annex I to the Constitution (see overleaf). The following 10 States have become Members of UNIDO but are not yet included in any of those lists:

State	Date of accession
Croatia	2 June 1992
Slovenia	11 June 1992
Bosnia and Herzegovina	1 October 1992
Georgia	30 October 1992
Kyrgyzstan	8 April 1993
The former Yugoslav Republic of Macedonia	27 May 1993
Republic of Moldova	1 June 1993
Tajikistan	9 June 1993
Azerbaijan	26 November 1993
Uzbekistan	26 April 1994

Pursuant to paragraph 1 of Annex I to the Constitution, if a State not listed in any of those lists becomes a Member of UNIDO, the General Conference shall decide, after appropriate consultations, in which of those lists it is to be included. The matter will be brought to the attention of the Conference at its sixth session for consideration.

3. The present note supersedes document GC.5/30.

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A. States from List A of document UNIDO/GC.1/3

Afghanistan
Algeria
Angola
Bahrain
Bangladesh
Benin
Bhutan
Botswana
Burkina Faso
Burundi
Cameroon
Cape Verde
Central African Republic
Chad
China
Comoros
Congo
Côte d'Ivoire
Democratic People's Republic of Korea
Djibouti
Egypt
Equatorial Guinea
Ethiopia
Fiji
Gabon
Gambia
Ghana
Guinea
Guinea-Bissau
India
Indonesia
Iran (Islamic Republic of)
Iraq
Israel
Jordan
Kenya
Kuwait
Lao People's Democratic Republic
Lebanon
Lesotho
Liberia
Libyan Arab Jamahiriya
Madagascar
Malawi
Malaysia
Maldives
Mali
Mauritania
Mauritius
Mongolia
Morocco
Mozambique
Myanmar
Namibia
Nepal
Niger
Nigeria
Oman
Pakistan
Papua New Guinea
Philippines
Qatar
Republic of Korea
Rwanda
Sao Tome and Principe
Saudi Arabia
Senegal
Seychelles
Sierra Leone
Somalia
Sri Lanka
Sudan
Swaziland
Syrian Arab Republic
Thailand
Togo
Tonga
Tunisia
Uganda
United Arab Emirates
United Republic of Tanzania
Vanuatu
Viet Nam
Yemen
Yugoslavia a/
Zaire
Zambia
Zimbabwe

B. States from List B of document UNIDO/GC.1/3

Australia
Austria
Belgium
Cyprus
Denmark
Finland
France
Germany
Greece
Ireland
Italy
Japan
Luxembourg
Malta
Netherlands
New Zealand
Norway
Portugal
Spain
Sweden
Switzerland
Turkey
United Kingdom of Great Britain and Northern Ireland
United States of America

C. States from List C of document UNIDO/GC.1/3

Argentina
Bahamas
Barbados
Belize
Bolivia
Brazil
Chile
Colombia
Costa Rica
Cuba
Dominica
Dominican Republic
Ecuador
El Salvador
Grenada
Guatemala
Guyana
Haiti
Honduras
Jamaica
Mexico
Nicaragua
Panama
Paraguay
Peru
Saint Kitts and Nevis
Saint Lucia
Saint Vincent and the Grenadines
Suriname
Trinidad and Tobago
Uruguay
Venezuela

D. States from List D of document UNIDO/GC.1/3

Albania
Armenia
Bulgaria
Belarus
Czech Republic
Hungary
Lithuania
Poland
Romania
Russian Federation
Slovakia
Ukraine

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a/ Concerning Yugoslavia, see resolution GC/S.1/Res.1 adopted by the General Conference at its first special session.